Guidelines for FIPB

214. SHRI AMAR SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have recently laid down guidelines for the Foreign Investment Promotion Board to clear foreign direct investment projects;

(b) if so, the details thereof;

(c) whether Government have been able to make FIPB as single-window facilities for grant of all industrial approval; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. The Government have recently vide Press Note No. 3 (1997 Series) dated 17.01.1997 issued a set of Guidelines for consideration of FDI proposals by FIPB which are given in the Annexure. *[See Appendix ISO, Annexure No. 6]*

(c) and (d) Foreign Investment Promotion Board is functioning as a nodal point for the approvals relating to foreign investment with or without technology transfer.

Rise in industrial production

215. SHRI R AMD AS AGARWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the industrial production during October, 1996 has shown a 9.9 per cent rise as compared to the same month in the previous year;

(b) if so, which sectors performed better in October, 1996 as compared to the same month in 1995 indicating growth rate in percentage; and

(c) the likely industrial production-growth rate during November, 1996 to February, 1997 of basic goods, capital goods, consumer goods, etc. as compared to previous two years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN):(a) to (c)

	AprıI-October(%)		Nov-Feb(%)	
	1995-96	1996-97	1995-96	1994-
Basic Goods		6.7	6.4	6.5
Capital Goods		16.6	24.0	23.9
Intermediate * Goods		10.8	13.7	1.9
Consumer Goods		8.2	11.1	9.8

While no assessment has been made of the sectoral growth rate for the remaining months of current year, overall industrial growth is expected to be in double digit.

Restructuring of KELTEC

216. SHRI JOY NADUKKARA: Will the Minister of INDUSTRY be pleased to state:

(a) whether proposal is pending before Government to designate the KELTEC (Kerala Hitech Industries Limited) as a National Centre of Excellence in Aero Space Engineering, considering its engineering capability, personel strength and contributions to a number of programmes of strategic importance;

(b) if so, action to Government intend to take on it;

(c) whether proposal for the comprehensive restructuring of KELTEC has been submitted by the Government of Kerala as instructed by the Prime Minister of India; and

(d) if so, whether Government would take immediate favourable action on it in view of the fact that consortium has fixed a time limit for the settlement of its liabilities?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Yes, Sir. A request has been received from the Government of Kerala to designate KELTEC as a National Centre of Excellence in Aerospace Engineering.

(b) Such requests are governed by the existing Policy of Government in the matter.

(c) A proposal for restructuring of KELTEC has been submitted by the Government of Kerala through a Memorandum addressed to the Prime Minister's office.

(d) As stated in (b) above, such requests are governed by the Policy of Government in the matter.

Fall in industrial growth rate in respect of twenty four industries

217. SHRI JANARDHANA POOJARY: Will the Minister of INDUSTRY be pleased tn state:

(a) whether growth rate in twenty four industries during the period April-November, 1996 has fallen to 5% from 11% during the corresponding period in 1995;

(b) if so, the reasons therefor;

(c) the estimated growth rate during the same period in current year; and

(d) the measures Governmeat have taken to achieve the target?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) Yes, Sir. The deceleration in industrial growth is however, confined to a few sectors particularly, the crude petroleum fertilizers & power generation etc. Sector specific strategies have been initiated to remove constraints in underperforming sectors. Adequate credit with softened interest will also provide further impetus to growth.

Policy of disinvestment in public sector

218. DR. B.B. DUTTA : Will the Minister of INDUSTRY be pleased to state:

(a) the policy of disinvestment in the public sector;

(b) the revenue generated from such disinvestment so far;

(c) the manner in which Government propose to utilise these revenues;

(d) whether a part of such revenues will be earmarked to create an investment fund for use to strengthen other public sector enterprises; and

(e) if so, present position in regard to such fund?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (e) The policy of the Govt, on disinvestment is spelt out in the CMP of the Govt. An amount of Rs. 9962 crores has been generated from disinvestment since 1991-92. The receipts from disinvestment are credited to the consolidated fund which is a common pool of resources of the Govt. A part of the revenues generated from 1996-97 onward from disinvestments is proposed to be utilised for creating a revolving fund to strengthen the other PSUs. No disinvestment has taken place during 1996-97 so far.

Take over of MUL by Suzuki Motors

219. SHRI KRISHNA KUMAR BIRLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Suzuki Motors of Japan have approached the Government to take over the Maruti Udyog Ltd.;

(b) if so, the details thereof;

(c) whether Government have agreed to the proposal of the Suzuki Motors; and

(d) if so, the reasons therefor stating the implications involved in handing over the Maruti Udyog and control of the Indian automoible market?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) President & CEO of Suzuki Motor Corporation (SMC) has in his letter proposed that "management of Maruti be straightened by listing its shares or by selling the Government's shares to Suzuki or vice-versa".

(c) No, Sir.

(d) Docs not arise.